

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
Atty's Docket No. 101384-9

APPLICANT : Colin Lawrence Kilgour et al.
FILED : Concurrently Herewith
FOR : Trading and Processing of Commercial Accounts
Receivable

PRELIMINARY AMENDMENT

Hon. Assistant Commissioner of Patents
Washington, D.C. 20231

Sir:

Prior to examination, please amend the application as follows:

IN THE CLAIMS

Please amend the claims in accordance with the attached marked-up pages. A clean copy of the amended claims is also enclosed.

REMARKS

The above amendments were made to remove multiple dependent claims.

Respectfully Submitted,



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Amended Claims - Marked-up Copy

6. (amended) The method of ~~any of claims 3 to 5~~ claim 3, wherein the at least one accounts receivable, having enhanced credit quality, is a financial instrument.

9. (amended) The method of ~~claims 1 and 2~~ claim 1, further comprising the step of transferring the title of the at least one accounts receivable from the first person to a successful bidder, if any, the successful bidder becoming the owner.

12. (amended) The method of ~~any of claims 1,2, or 7 to 11~~ claim 1, further comprising the step of managing the at least one accounts receivable in the lot on behalf of the owner.

13. (amended) The method of ~~any of claims 3 to 6~~ claim 3, further comprising the step of managing the at least one accounts receivable in the lot on behalf of the owner.

14. (amended) The method of ~~any of claims 12 or 13~~ claim 12, wherein the step of managing the at least one accounts receivable comprises:

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- (a) maintaining contact with the associated merchant's buyers in order to effect timely discharge of indebtedness associated with the at least one accounts receivable;
- (b) receiving a payment from a merchant's buyer associated with the at least one accounts receivable;
- (c) sending a receipt for the payment associated with the at least one accounts receivable to the merchant's buyer;
- (d) forwarding the payment to the owner of the at least one accounts receivable;
- (e) updating the computer database recording the relevant payment; and,
- (f) recording all transactions with regard to the management of the at least one account—accounts receivable in the computer database.

15. (amended) The method of any of ~~claims 1 and 2~~ claim 1, wherein the trade is a primary market transaction concerning the sale of at least one accounts receivable from the first person, being the merchant of the at least one accounts receivable, to a successful bidder.

16. (amended) The method of ~~any of claims 1 and 2~~ claim 1, wherein the trade is a secondary market transaction concerning the sale of at least one accounts receivable from the first

person, being the owner of the at least one accounts receivable, to a successful bidder.

17. (amended) The method of ~~any of claims 1 and 2~~ claim 1, wherein the trade is a distressed accounts receivable market transaction.

18. (amended) The method of ~~any of claims 4 to 6, and 13~~ claim 4, wherein the step of enrolling the at least one accounts receivable comprises receiving a fund from the first person, the fund to be held in escrow for settling future disputes concerning the at least one accounts receivable, such disputes comprising one or both of:

(a) the quality of goods or services rendered in relation to the at least one accounts receivable; and,

(b) provision of capital to fund the difference between the nominal value of the at least one accounts receivable and the payment received from the credit enhancement facilitator.

19. (amended) The method of ~~any of claims 12 or 14~~ claim 12, wherein upon a merchant's buyer not making a payment timely to discharge the debt associated with a first accounts receivable being one of the at least one accounts receivable according to the terms of the at least one accounts receivable,

the step of managing the at least one accounts receivable comprises consulting with owner of the at least one accounts receivable to determine the course of action, said course of action comprising one selected from the group consisting of:

- (a) the owner waiting for the merchant's buyer to make the payment; and,
- (b) the owner waiting for resolution of a dispute between the first owner and the merchant's buyer relating to the first accounts receivable before receiving the payment.

21. (amended) The method of ~~any of claims 19 or 20~~ claim 19, wherein the trade is a distressed accounts receivable market transaction, and the group of courses of action further includes disposing of the first accounts receivable through the distressed accounts receivable market.

36. (amended) The financial instrument of ~~any of claims 30~~ claim 30, the systems manager further manages the at least one accounts receivable in the lot on behalf of the owner.

39. (amended) The financial instrument of ~~any of claims 36~~ or ~~37~~ claim 36, wherein upon a merchant's buyer not making a payment timeously to discharge the debt associated with a first accounts receivable being one of the at least one accounts

receivable according to the terms of the at least one accounts receivable, the step of managing the at least one accounts receivable comprises consulting with owner of the at least one accounts receivable to determine the course of action, said course of action comprising one selected from the group consisting of:

- (a) the owner waiting for the merchant's buyer to make the payment; and
- (b) the owner waiting for resolution of a dispute between the first owner and the merchant's buyer relating to the first accounts receivable before receiving the payment;
- (c) the owner waiting for the provider of credit enhancement and the original owner to fulfill restitutorial obligations; and,
- (d) where the trade is a distressed accounts receivable market transaction, the owner disposing of the first accounts receivable through the distressed accounts receivable market.

Amended Claims - Clean Copy

6. (amended) The method of claim 3, wherein the at least one accounts receivable, having enhanced credit quality, is a financial instrument.

9. (amended) The method of claim 1, further comprising the step of transferring the title of the at least one accounts receivable from the first person to a successful bidder, if any, the successful bidder becoming the owner.

12. (amended) The method of claim 1, further comprising the step of managing the at lease one accounts receivable in the lot on behalf of the owner.

13. (amended) The method of claim 3, further comprising the step of managing the at least one accounts receivable in the lot on behalf of the owner.

14. (amended) The method of claim 12, wherein the step of managing the at least one accounts receivable comprises:

(a) maintaining contact with the associated merchant's buyers in order to effect timely discharge of indebtedness associated with the at least one accounts receivable;

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(b) receiving a payment from a merchant's buyer associated with the at least one accounts receivable;

(c) sending a receipt for the payment associated with the at least one accounts receivable to the merchant's buyer;

(d) forwarding the payment to the owner of the at least one accounts receivable;

(e) updating the computer database recording the relevant payment; and,

(f) recording all transactions with regard to the management of the at least one accounts receivable in the computer database.

15. (amended) The method of any of claim 1, wherein the trade is a primary market transaction concerning the sale of at least one accounts receivable from the first person, being the merchant of the at least one accounts receivable, to a successful bidder.

16. (amended) The method of claim 1, wherein the trade is a secondary market transaction concerning the sale of at least one accounts receivable from the first person, being the owner of the at least one accounts receivable, to a successful bidder.

17. (amended) The method of claim 1, wherein the trade is a distressed accounts receivable market transaction.

18. (amended) The method of claim 4, wherein the step of enrolling the at least one accounts receivable comprises receiving a fund from the first person, the fund to be held in escrow for settling future disputes concerning the at least one accounts receivable, such disputes comprising one or both of:

(a) the quality of goods or services rendered in relation to the at least one accounts receivable; and,

(b) provision of capital to fund the difference between the nominal value of the at least one accounts receivable and the payment received from the credit enhancement facilitator.

19. (amended) The method of claim 12, wherein upon a merchant's buyer not making a payment timely to discharge the debt associated with a first accounts receivable being one of the at least one accounts receivable according to the terms of the at least one accounts receivable, the step of managing the at least one accounts receivable comprises consulting with owner of the at least one accounts receivable to determine the course of action, said course of action comprising one selected from the group consisting of:

(a) the owner waiting for the merchant's buyer to make the payment; and,

(b) the owner waiting for resolution of a dispute between the first owner and the merchant's buyer relating to the first accounts receivable before receiving the payment.

21. (amended) The method of claim 19, wherein the trade is a distressed accounts receivable market transaction, and the group of courses of action further includes disposing of the first accounts receivable through the distressed accounts receivable market.

36. (amended) The financial instrument of claim 30, the systems manager further manages the at least one accounts receivable in the lot on behalf of the owner.

39. (amended) The financial instrument of claim 36, wherein upon a merchant's buyer not making a payment timelyously to discharge the debt associated with a first accounts receivable being one of the at least one accounts receivable according to the terms of the at least one accounts receivable, the step of managing the at least one accounts receivable comprises consulting with owner of the at least one accounts

receivable to determine the course of action, said course of action comprising one selected from the group consisting of:

- (a) the owner waiting for the merchant's buyer to make the payment; and
- (b) the owner waiting for resolution of a dispute between the first owner and the merchant's buyer relating to the first accounts receivable before receiving the payment;
- (c) the owner waiting for the provider of credit enhancement and the original owner to fulfill restitutive obligations; and,
- (d) where the trade is a distressed accounts receivable market transaction, the owner disposing of the first accounts receivable through the distressed accounts receivable market.

THEODORE J. KELLY, JR.